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December 22, 2003

Willard Starbird, Chairman
Guilford/Sangerville Water District
P. O. Box 246
Guilford, ME 04443-0246

RE: GUILFORD/SANGERVILLE WATER DISTRICT
Proposed Rate Change
Docket No. 2003-765

Dear Mr. Starbird:

On October 16, 2003, the Guilford/Sangerville Water District filed information with the Commission pursuant to 35-A M.R.S.A. § 6104. The filing proposed to increase operating revenues by \$44,124 or 14.94% over actual 2002 revenues. The public fire protection charges will be 30% of the total operating revenues as determined by Chapter 69 of the Commission's Rules.

A news article, regarding the District's proposed rate increase, appeared in the November 11, 2003 edition of the Bangor Daily News. The article included the date, time and location of the public hearing and some, but not all, of the other information required by Section 6104. The District did not independently publish notice of its public hearing. The District held a public hearing on the proposed rate changes at the District's Office on November 19, 2003. On December 3, 2003, the District filed its Schedule of Rates consisting of Sheets 1 and 2, both First Revision, and Sheet 3, Second Revision.

Section 6104(3) requires that the utility publish notice of the hearing in a newspaper of general circulation in the area, at least 14 days prior to the hearing, and specifies certain information that must be included in the notice. The Guilford/Sangerville Water District did not publish adequate notice of the hearing. However, the individual notices to customers, mailed on November 3, 2003, complied with the requirements. Thus, the District's attempt to change its rates under Section 6104 failed. The District did satisfy all of the other requirements of Section 6104. The Commission processed the requested rate change pursuant to 35-A M.R.S.A. § 307 because of the procedural failure of the Section 6104 filing.

The Commission considered the Guilford/Sangerville Water District's proposed rate changes at its deliberations on December 22, 2003. Based upon the information presented and the absence of a petition or complaints from the District's customers, the Commission decided that further investigation is unnecessary and that it will not suspend the operation of the proposed schedule. Accordingly, the Schedule of Rates, consisting of Sheets 1 and 2 –

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both First Revision, and Sheet 3 – Second Revision, filed on December 3, 2003, will become effective by operation of law on January 2, 2004 (30 days after the rates were filed with the Commission).

While we see no useful purpose in investigating this matter further, we remind the Guilford/Sangerville Water District that it must comply with all aspects of Maine law, including public notice requirements.

By allowing the schedule of rates to become effective by operation of law, the Commission does not explicitly or implicitly approve the proposed rate changes. A copy of the Schedule of Rates is attached for your reference.

Sincerely,

Dennis Keschl
Administrative Director

COMMISSIONERS VOTING FOR: Welch
Diamond
Reishus

cc: Gregory M. Hollis C.P.A.
Enclosure

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